

Production of Electrical Energy

The electric power production in 1939 was 1,100,000 kilowatts, and of that, one third was in Slovenia. This was achieved by the hydroelectric power plants Fala, Katuni, Gubavica and Jajce and by the thermal power plants at Trbovlje, Reichenburg, Wollan, by the "Snaga i Svetlost" (Power and Light) group near Belgrade, and by numerous smaller (under 10,000 kilowatts) thermal power plants in the entire country.

According to Yugoslav statistical reports, the production was augmented to 2,000,000 kilowatts in 1948. This was achieved by the new hydroelectric power plants at Dravograd and at Maribor (Mariborski Otok), which were partly constructed by the Germans, by the thermal power plant Mali Kostolac near Belgrade, and by the Soca hydroelectric power plant which came under Yugoslav jurisdiction according to the peace treaty.

In the Four-Year plan an increase in the yearly production up to 4,350,000 kilowatts is planned by 1951. The following larger hydroelectric power plants are now being built: Vuzenica (Slovenia), Vinodol (Croatia), Rama (Herzegovina), Vlasina and Jablanica in Serbia, Mavrovo in Macedonia. Only the building of the foundations is in progress at all these construction areas.

In the lignite basin, at Kostolac the Germans, during their occupation, began the construction of a large thermal power plant at Veliki Kostolac and it is supposed to be completed by end of 1951 according to the Five-Year Plan.

Because of the split with the Cominform the installation of technical and mechanical equipment in these power plants is even more difficult.

Since 1945 many new constructions and repairs in industry, on roads and railroads have been carried out in Yugoslavia by unpaid labor. These labor groups were formed from forced laborers, who were sentenced for political reasons, as well as from unpaid "Volunteers", who were summoned from the People's Front and labor unions from all strata of the population.

Surveillance of defense installations is carried out by KNOJ, which is subordinate to the Secret State police (UDB). All the other installations of Yugoslavian industry are guarded by the militia of the installations. The Communist party, which is the only agency of state power, also controls the entire industry and economy through its agents and cells in every single factory, even though it may be small.

The Tito regime had the intention of building up heavy industry in the Five-Year Plan. Even according to Tito, Kidric and the minister for heavy industry, Leskosek, the intended goals for 1948 were missed by a few points only. In reality, however, they actually failed by a much wider margin. According to Kidric, the "comrades who did not fulfill the agreed obligation" were to blame.

The truth of the matter is that the deliveries from Russia, Czechoslovakia, and the reparation deliveries from Hungary became irregular and in some cases stopped altogether. The government is trying to make the necessary purchases in the West, made several trade agreements, and started to export more crude copper, lead, zinc, antimony, pyrites, chromium etc... to the world market. Spoliation in forestry of an unprecedented magnitude, which threatens Yugoslav forests (especially in Slovenia) is supposed to facilitate an accelerated dumping of all kinds of woods to Italy, England, and the Near East. Tito has to pay for his purchases in the West and has to export at any price. The Control Commission of the Yugoslav Skupstina also put the blame on numerous cases of negligence and sabotage

for not achieving the norm for the year and made the workers and factory leaders responsible for that.

Even though the political labor office, Uprava Rada, established for the formation of new cadres of industrial workers, had at its disposal all the necessary means, from recruiting to forced labor camps, the result was insufficient. The reason for that is the fact that the vocation of an industrial worker in Yugoslavia is extremely undesirable. The very poorly paid workers are driven constantly to greater peaks of performance through the establishment of "norms" which they have to attain by constantly working overtime on a voluntary basis. To this is added constant political indoctrination in the factory as well as at home, so that the workers have very little free time. In every factory there are political shock troops, which are supposed to represent the factory union during demonstrations, parades etc... A special law prohibits workers from freely changing jobs.

The workers are fed in factory canteens and their food is obviously bad. There are frequent irregularities in managing such canteens. When the workers of a factory complained about the bad quality of the food and about the fact that they get only corn bread to eat, the political leader of the factory explained: "The reason for that is that we have to export our wheat in order to procure machines. But soon we shall reach a point when all Yugoslavs will only eat white bread and we shall export our machines to the U.S.A." It is understandable that such "explanations" especially do not impress the old union men and that these become confirmed adversaries of Tito. These union men have recently often been named and attacked in the newspapers (Jesenice). The single Yugoslav union under the leadership of a former tailor, Djuro Salaj, is purely an organization of the Communist Party and is not intended to help the worker but rather to suppress him. Here the "voluntary" overtime of workers is determined.

The clothing supply of workers is utterly insufficient. Ration cards are almost impossible to get, and on the black market a pair of shoes costs about 4,000 Dinars, while a worker averages 3,000 Dinars per month. The situation is the same with all other consumer goods. The government makes excuses and Kidric declared in the Skupstina that the income of the worker rose from an average yearly salary of 8,000 Dinars in 1938 to 30,000 in 1948. In reality the standard of living of the worker was never so low as now. These circumstances make it likely that the Uprava Rada could not have succeeded in recruiting new workers for heavy industry and, according to its own reports, it recruited only 60 percent of the planned number.

Only Slovenians and, to some extent, Croats have ever been used as industrial workers in Yugoslavia and their number was always limited. The inhabitants of Bosnia, Herzegovina, Montenegro, etc..., the regions where the greatest population increase occurs, have no inclination nor interest in industrial work. Because of that and because of the limited elementary education, also the short courses, especially designed for these people, were ineffective. Tito won these people on his side by promising them rich farm lands in Banat, and carried out his promise after the war terminated at the expense of the Swabians. For this reason most of Tito's officials are from Bosnia and Montenegro, so that the residential section of Dedinje in Belgrade is colloquially called Cetinje. All Balkan people are egoists and individualists and not suited for a Communistic economy.

An additional error in Yugoslav industry is its all too bureaucratic administration. An infinite number of officials and employees are busy compiling and maintaining statistical data and plans which control the production, work output, working hours, political leanings of workers, norms of the

Five-Year Plan etc... The Yugoslav workers are very dissatisfied. Despite great political pressure ~~it happens that~~ workers leave their posts, that railroad men cause five railroad collisions in one month (Belgrade-Noví Sad line), and that the brakemen abandoned a loaded freight train on the open track.

These difficulties of Yugoslavia make the Cominform plan seem correct:

1. The highly developed Czech industry as well as the Czech morale will be preserved,
2. Industry will be expanded further in Hungary and Rumania, and new sympathisers will be won among the working class,
3. Yugoslavia will be the supplier of raw materials and serve as consumer of finished products; the population of Yugoslavia ~~should be~~ enthusiastic about the Pan-slavistic idea of cooperation.

Yugoslavia went counter to these plans with the expansion of its industry and the conflict is becoming more and more important and significant.

The production of Yugoslav industry today is inferior and not able to compete. The production of mineral products in Yugoslavia is on the average on the same level today as it was in 1940. It is even higher in the case of antimony, lead, zinc, chromium, and copper (the latter, despite the lower figures given in the law on the Five-Year Plan). Agricultural production diminished and is at the most 60 percent of that of 1940. These are the reasons: Because of Tito's agrarian reform, larger pieces of fertile ground were cut into small sections. The collectivization of middle and small farmers is included in the reform and has retarded production noticeably. (According to Kidric's explanation, the important thing is not the expert treatment of the soil, but rather socialization on farms.) The displacement and liquidation of 400,000 Swabians is very

noticeable because their successors (Bosnians and Montenegrins) are not suited for farming on flat land. Although UNHRA shipped many tractors to Yugoslavia, there is still a shortage of them, but especially there is a shortage of draft animals because the cattle supply suffered great losses during the war. This is also the reason for the shortage of barn-manure. The yearly production of artificial fertilizer was 73,000 tons in 1939 (mostly nitrate of lime) of which a third was exported. Thomas meal, phosphates and potassium salts had to be imported, but this is not possible today because of difficulties in transportation and in foreign exchange.

The consumption of food, on the contrary, has risen because of the annexation of backward Istria. Also the army and militia, KNOJ and UDB (about 500,000 strong), diminish the rations of the civilian population because these privileged castes receive at least twice as much as workers in heavy industry. Because of reasons of internal politics, the government issued excessively low estimates regarding exports of wheat, meat and fat to the Eastern states. The truth of the matter is that large quantities of food were shipped to the Eastern states in exchange for subsequent imports of machinery. Wheat for Egypt and the Near East and even corn for Greece were exported through Trieste. Thus the highly essential foreign exchange was acquired.

The isolation from the West and the quarrel with the Cominform have put the entire supply program in disorder. The food shortage in Yugoslavia, which was previously so rich in this respect, the lack of textiles, shoes, and articles of daily need, increased the dissatisfaction among the population, the majority of whom is against Tito and the Communists. With the active support of the Russians, the Cominform sympathizers will continue to make more trouble.

All the above reasons clearly prove that the Yugoslav government cannot be as successful with its Five-Year Plan

as it planned to be because the plan lacks a sound basis. It is questionable whether Yugoslavia will be able to overcome on its own power the difficulty which confronts it.

The solution of the Yugoslav question in the total European frame work would only be possible if a free democratic government, elected by the people, were to take over, if Yugoslavia were to join the Marshall Plan, and if it were to intensify its agricultural output. With the export of minerals from modernized mines, Yugoslavia can reactivate its trade balance with the whole world.

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